

**AN ORDINANCE
BY FINANCE/ EXECUTIVE COMMITTEE**

AN ORDINANCE TO CLOSE-OUT THE SERIES 1990 AND SERIES 1994 AIRPORT CONSTRUCTION FUND BY TRANSFERRING ALL EXCESS PROJECT APPROPRIATIONS FROM THE CONSTRUCTION FUND TO THE SINKING FUND FOR THE PAYMENT OF ANY ARBITRAGE REBATE LIABILITY ON THE SERIES 1990 AND SERIES 1994 BONDS AND FOR THE PAYMENT OF DEBT SERVICE ON OUTSTANDING AIRPORT GENERAL REVENUE BONDS; AND FOR OTHER PURPOSES.

WHEREAS, the City, in accordance of the provision of the ordinance adopted May 18, 1977 (the "Prior Master Ordinance") as amended by the ordinance adopted December 30, 1990, issued the City of Atlanta Airport Facilities Revenue Bonds, Series 1990 (the "Series 1990 Bonds") in the aggregate principal amount of \$319,247,503.55; and

WHEREAS, the Series 1990 Bonds were issued to finance the construction of (i) Concourse E, a fifth concourse for international air traffic at the Central Passenger Terminal Complex, (ii) improvements to the taxiway and fuel systems, (iii) the extension to Concourse E of the automated guideway transit system for transporting passengers at the airport, (iv) expansion of the baggage claim area of the Central Passenger Terminal Complex, and (v) the acquisition of land for a future new commuter runway (the "1990 Project"); and

WHEREAS, the City, in accordance of the provision of the Prior Master Ordinance, as amended by the ordinance adopted April 14, 1994, issued the City of Atlanta Airport Facilities Revenue Refunding Bonds, Series 1994A and the City of Atlanta Airport Facilities Revenue Bonds, Series 1994B (the "Series 1994 Bonds") in the aggregate principal amount of \$281,140,000; and

WHEREAS, the Series 1994 Bonds were issued to (i) refund the City's outstanding Airport Facilities Revenue Bonds, Series 1983 (the "Series 1983 Bonds") in the principal amount of \$72,730,000, (ii) finance certain tenant finishes and equipment for Concourse E, (iii) finance certain other projects (iv) finance capitalized interest on the Series 1990 Bonds and Series 1994 Bonds through January 19, 1995, and (v) pay costs associated with the issuance and insurance premium for the Series 1994 Bonds (the "1994 Project"); and

WHEREAS, the Prior Master Ordinance was amended and restated by the Restated and Amended Master Bond Ordinance adopted March 20, 2000 (the "Master Ordinance"); and

WHEREAS, the 1990 Project and the 1994 Project have been completed; and

WHEREAS, Section 1205 of the Master Ordinance provides for the transfer of remaining construction funds to the Principal and Interest Subaccounts when a project is completed or substantially completed, and a Certificate of Completion has been signed by the Airport Manager and filed with the Chief Financial Officer. These remaining funds can be used to redeem bonds of the related series or pay principal of such bonds, or used to pay interest on bonds of the related series provided the City first obtains an opinion of Bond Counsel to the effect that the application of such moneys for such use is allowed under State law and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such bonds; and

WHEREAS, the Series 1990 Bonds and the Series 1994 Bonds have been defeased and no longer remain outstanding, as defined in the Master Ordinance; and

WHEREAS, upon receipt of the required Certificate of Completion and opinion of Bond Counsel, the City desires to use the remaining \$38,693 of proceeds of the of Series 1990 Bonds and the remaining \$2,555,418 of proceeds of Series 1994 Bonds in the construction funds for the payment of any arbitrage rebate liability and debt service payments on outstanding Airport General Revenue Bonds, all in accordance with Section 1205 of the Master Ordinance; provided that given the Series 1990 Bonds and Series 1994 Bonds have been defeased and there are no further debt service payments required on such bonds, the remaining proceeds will be used to pay debt service on other outstanding Airport General Revenue Bonds.

THE CITY COUNCIL OF THE CITY OF ATLANTA, GEORGIA, HEREBY ORDAINS, as follows:

SECTION 1: That the FY 2010 ARPT FAC REV Bond Construction fund – Series 1990 Budget is hereby amended as follows:

TRANSFER FROM APPROPRIATIONS

5503.200101.5999901.1512000. 000000.00000.0000.000000000.00000000 \$38,693.00
ARPT FAC REV Bond Construction fund –Series 1990 – Reserve Conv. Acct

TRANSFER TO APPROPRIATIONS

5503.200801.6110999.8000000. 000000.00000.0000.000000000.00000000 \$38,693.00
ARPT FAC REV Bond Construction fund –Series 1990 –Sinking Fund Requirement

SECTION 2: That the Chief Financial Officer is authorized to pay \$38,693.00 from the ARPT FAC REV Bond Construction fund –Series 1990
5503.200801.6110999.8000000.0000000.00000.000000000.00000000 to the
Airport FAC Revenue Bond Sinking Fund 5513.200801.6110999.8000000.000000.00000

SECTION 3: That the FY2010 Airport FAC Revenue Bond Sinking Fund budget is amended as follows:

ADD TO ANTICIPATIONS

5513.000002.3912042.0000000.000000.00000.0000.00000000.00000000	\$38,693.00
Airport FAC Revenue Bond Sinking Fund – Sinking Fund Requirement	

ADD TO APPROPRIATIONS

5513.200801.6110999.8000000.000000.00000.0000.00000000.00000000	\$38,693.00
Airport FAC Revenue Bond Sinking Fund – Sinking Fund Requirement	

SECTION 4: That the FY 2010 ARPT FAC REV Bond Construction fund – Series 1996 Budget is hereby amended as follows:

TRANSFER FROM APPROPRIATIONS

5504.200101.5999901.1512000. 000000.00000.0000.00000000.00000000	\$2,555,418.00
ARPT FAC REV Bond Construction fund –Series 1996 – Reserve Conv. Acct	

TRANSFER TO APPROPRIATIONS

5504.200801.6110999.8000000. 000000.00000.0000.00000000.00000000	\$2,555,418.00
ARPT FAC REV Bond Construction fund –Series 1996 –Sinking Fund Requirement	

SECTION 5: That the Chief Financial Officer is authorized to pay \$2,555,418.00 from the ARPT FAC REV Bond Construction fund –Series 1996
5504.200801.6110999.8000000.000000.00000.00000000.00000000 to the
Airport FAC Revenue Bond Sinking Fund 5513.200801.6110999.8000000.000000.00000

SECTION 6: That the FY2010 Airport FAC Revenue Bond Sinking Fund budget is amended as follows:

ADD TO ANTICIPATIONS

5513.000002.3912042.0000000.000000.00000.0000.00000000.00000000	\$2,555,418.00
Airport FAC Revenue Bond Sinking Fund – Sinking Fund Requirement	

ADD TO APPROPRIATIONS

5513.200808.5730013.8000000.000000.00000.0000.00000000.00000000	\$136,000.00
Airport FAC Revenue Bond Sinking Fund – Arbitrage Rebate	
5513.200801.6110999.8000000.000000.00000.0000.00000000.00000000	\$2,419,418.00
Airport FAC Revenue Bond Sinking Fund – Sinking Fund Requirement	

SECTION 7: That the foregoing transfer shall occur upon receipt of the Certificate of Completion for the Series 1990 Project and the Series 1994 Project and the receipt of opinion of Bond Counsel.

SECTION 8: That all future interest earnings that will accrue to these bonds funds before the approval of this ordinance, be deposited into the Airport FAC Revenue Bond Sinking fund for the payment of debt service.

SECTION 9: That all ordinances or parts of ordinances in conflict with this ordinance, herewith are waived to the extent of the conflict.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview: Finance/ Executive Committee

Caption: AN ORDINANCE TO CLOSE-OUT THE SERIES 1990 AND SERIES 1994 AIRPORT CONSTRUCTION FUND BY TRANSFERRING ALL EXCESS PROJECT APPROPRIATIONS FROM THE CONSTRUCTION FUND TO THE SINKING FUND FOR THE PAYMENT OF ANY ARBITRAGE REBATE LIABILITY ON THE SERIES 1990 AND SERIES 1994 BONDS AND FOR THE PAYMENT OF DEBT SERVICE ON OUTSTANDING AIRPORT GENERAL REVENUE BONDS; AND FOR OTHER PURPOSES.

Council Meeting Date: April 19, 2010

Requesting Dept.: Department of Finance

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

The purpose of this legislation is to close-out the Series 1990 and Series 1994 Airport General Revenue Bonds by transferring excess construction funds to the Airport Sinking fund for the payment of debt.

2. Please provide background information regarding this legislation.

The City by authority granted by the Master Bond Ordinance adopted on May 18, 1977 issued Series' of bonds to finance various construction projects at Hartsfield- Jackson Atlanta International Airport. All the projects financed by the Series 1990 and 1994 bond issuances are completed and in service. The City has identified residual construction fund proceeds in the Series 1990 and 1994 Bonds and wants to use these funds to pay debt service as authorized by Appendix C Section 506 of the Master Bond Ordinance. This

legislation is seeking the council's approval to transfer the residual amounts in the Series 1990 and Series 1994 construction fund to the Sinking fund for debt payment.

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** N/A
- (b) **Source Selection:** N/A
- (c) **Bids/Proposals Due:** N/A
- (d) **Invitations Issued:** N/A
- (e) **Number of Bids:** N/A
- (f) **Proposals Received:** N/A
- (g) **Bidders/Proponents:** N/A
- (h) **Term of Contract:** N/A

4. Fund Account Center (Ex. Name and number):

Transfer From:

5503.200101.5999901.1512000.000000.000000.0000.000000000.000000000\$38,693.00

5504.200101.5999901.1512000.000000.000000.0000.000000000.000000000\$2,555,418.00

Transfer To:

5513.200801.6110999.8000000.000000.000000.0000.000000000.000000000\$2,419,418.00

5513.200808.5730013.8000000.000000.000000.0000.000000000.000000000\$136,000.00

5. Source of Funds:

ARPT FAC Rev Bond Construction Fund – Series 1990

ARPT FAC Rev Bond Construction Fund – Series 1994

6. Fiscal Impact:

Transfer From:

5503.200101.5999901.1512000.000000.000000.0000.000000000.000000000\$38,693.00

5504.200101.5999901.1512000.000000.000000.0000.000000000.000000000\$2,555,418.00

Transfer To:

5513.200801.6110999.8000000.000000.00000.0000.00000000.00000000\$2,419,418.00

5513.200808.5730013.8000000.000000.00000.0000.00000000.00000000\$136,000.00

7. Method of Cost Recovery: N/A

This Legislative Request Form Was Prepared By: Paul Kwaw

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: CANDACE BYRD

Dept.'s Legislative Liaison: LaShawn Gardiner

Contact Number: 404-330-6449

Originating Department: Department of Finance

Committee(s) of Purview: Finance/ Executive

Chief of Staff Deadline: March 9, 2010

Anticipated Committee Meeting Date(s): March 29-31, 2010

Anticipated Full Council Date: April 19, 2010

Legislative Counsel's Signature: [Signature]

Commissioner Signature: [Signature]

CAPTION

AN ORDINANCE TO CLOSE-OUT THE SERIES 1990 AND SERIES 1994 AIRPORT CONSTRUCTION FUND BY TRANSFERRING ALL EXCESS PROJECT APPROPRIATIONS FROM THE CONSTRUCTION FUND TO THE SINKING FUND FOR THE PAYMENT OF ANY ARBITRAGE REBATE LIABILITY ON THE SERIES 1990 AND SERIES 1994 BONDS AND FOR THE PAYMENT OF DEBT SERVICE ON OUTSTANDING AIRPORT GENERAL REVENUE BONDS; AND FOR OTHER PURPOSES.

FINANCIAL IMPACT (if any): \$

Mayor's Staff Only

Received by CPO: _____ Received by LC from CPO: _____

Received by Mayor's Office: [Signature] 3/9/10 Reviewed by: [Signature]

Submitted to Council: _____

(date)